

Testimony of

**John L. Martin
Airport Director
San Francisco International Airport**

Before the

**House Transportation & Infrastructure Committee
Aviation Subcommittee**

**On the
Privatization Pilot Program (PP5)**

April 22, 2004

Airport Screener Privatization Program (PP5)

Chairman Mica and Ranking Member DeFazio, and members of the Aviation subcommittee of the Transportation and Infrastructure Committee, thank you for inviting me to participate in today's hearing on the results of the Airport Screener Privatization Pilot Program (PPS). I am John L. Martin, the Director of the San Francisco International Airport, which is the category X airport in the pilot program.

I would like to begin by thanking the Members of this Committee for its leadership in passing last year's historic aviation legislation, Vision 100—Century of Aviation Reauthorization Act. Congress is to be commended for authorizing record levels of funding for the Airport Improvement Program (AIP) and for creating more flexibility within the program for airports that address the many problems we face in the post 9/11 environment.

Most of all, I wish to commend this Committee, the staff and others in the Congress for the attention you are giving to the security problems facing our aviation system. We would particularly like to thank those committee members and staff who have visited San Francisco and viewed our systems

first hand and welcome any other members and staff to do the same. Your support has allowed us to deploy one of the most comprehensive and robust screening programs of any airport in the world.

I would like to preface my comments concerning the Airport Screener Privatization Program (PP5) by expressing my belief that the security of our nation's airports is critical to the commercial well being of the United States. Our mission as a major airport is to ensure that we have enhanced the capabilities of our organization by working in partnership with all relevant agencies including the Transportation Security Administration (TSA) to make travel safe and secure.

San Francisco International Airport has a long history of initiating state of the art security systems such as biometric access control; professional standards for airport screening personnel beyond those required by the FAA and automated inline baggage screening before it was it was a congressionally mandated requirement.

Our present relationship with the TSA and, in particular, the local Federal Security Director's (FSD) staff has resulted in operations that have not only

provided state of the art security, but has also delivered excellent customer service while substantially reducing the number of screeners.

Prior to the federalization of the nation's airport screeners under the TSA, San Francisco asked to be a participant in PP5. This request was made because we had serious concerns about a new federal agency's ability to support the difficult and challenging process of recruiting, hiring and managing virtually the largest and most important workforce at our airport. Significant staff shortfalls over a long period of time with other federal agencies at SFO have been commonplace in the past. Because screening activities impact both passenger service and airline flight operations, we concluded that it was essential to have a screening organization capable of managing in our complex airport environment.

SFO is the largest airport participating in the PP5 program with slightly over 1200 screeners. Screening today is clearly more effective, professional and comprehensive than it was with the previously airline managed system. The quality of screeners and screener management is superior resulting in professional, effective and consistent operational performance. We have

experienced only minor disruptions since the program began and these were primarily due to facility constraints beyond the operator's control.

The Collaboration together (Team SFO), between Airport management, the Federal Security Director (FSD) management staff and the contractor has been able to coordinate and deploy state of the art screening systems, which combined with a well trained workforce, provide an extremely high level of security and customer service. This combination of collaborative effort, best practices and the application of technology has resulted in a net reduction of more than 400 screeners since the TSA took over in 2002. Additional staff reduction will be possible at the end of the year when SFO's in-line baggage system is completed. We also estimate that the cost of effective baggage screening has been reduced from over \$2.00 per bag to less than \$0.35.

Some examples of "Team SFO" initiatives that have resulted in higher efficiency include:

1. The development of a "Screener Control Center" (SCC) that, in conjunction with the comprehensive deployment of closed circuit television (CCTV) is able to simultaneously monitor the operation of SFO's 39 checkpoint lanes and the queuing of passengers at

checkpoints from a central location. The SCC has substantially increased the screening contractor's ability to adjust staff levels to support passenger volume changes at the checkpoints. The SCC has also reduced the potential for a passenger breeching the checkpoint. This system was installed by the Airport and paid for by the contractor.

2. The FSD's management staff has very effectively coordinated with the contractor to ensure the lowest level of staff attrition and the highest level of security and customer service performance by instituting a weekly detailed performance review with the contractor. This review consists of a comprehensive review of critical performance metrics including; passenger wait times per checkpoint; screener test results; training conducted; customer complaints; screener attrition; screening absenteeism and overtime vs. overtime goal review to name a few. The performance review has resulted in extremely effective operations. I believe this type of review illustrates one of the primary benefits of the PP5 process. Overall, the PP5 process has allowed SFO's FSD to spend his time on security issues, not managing the human resources function of over 1200 screeners.

3. The Airport management has enhanced the screening system by adding sufficient checkpoint capacity to ensure adequate passenger processing capability. We have also aggressively and proactively deployed an automated baggage inspection system capable of screening over 70,000 bags per day using 46 CTX 9000s. These devices are multiplexed to a remote screening facility that allows for better oversight and supervision of “on screen resolution” (OSR) functions while significantly reducing the number of screeners needed to operate the system. SFO, could in fact, provide OSR for other cities using its existing facilities further reducing TSA costs.

All that being said, SFO supports Airport Screener Privatization only under the following circumstances:

1. The TSA retains control, responsibility and liability for the conduct and operation of the private screening contract operations. We believe airport screening operations nationwide require the continuity of robust federal management and oversight.
2. Privatization is not for everyone. The program works very well in San Francisco because the Airport and the TSA’s FSD organization

work well together. Close cooperation between cultures is extremely important. SFO's airport staff is involved at all levels of the operation. None of the participants can afford to stand back and take the attitude that "This is not my problem."

3. The full potential of privatization can only be realized if the certain constraints presently placed on the contractor are removed. National assessment, recruiting and training programs must be more flexible. As far as I can determine there is nothing inherent in these functions that would necessitate TSA headquarters day-to-day involvement once standards and evaluation practices were put in place. Presently, in my opinion, there are staffing shortfalls nationwide because TSA Human Resource processes are cumbersome, expensive and fail to respond to the dynamics of Airport operations.

In conclusion, given the funding constraints on aviation security, TSA needs to rapidly develop more cost-effective practices to get the job done.

- Arbitrary mandated staffing ceilings must be replaced with comprehensive staffing analysis and allocation based upon specific operational requirements at individual airports.

- Automation of baggage screening can significantly reduce the recurring labor cost of manual operations. A coordinated and comprehensive plan for EDS deployment that recognizes best practices and rewards those airports with cost effective and timely solutions.

Airports, despite being public agencies have by necessity had to operate as businesses. Security is too large a part of the operational base of our nation's aviation system to ignore best business practices. Flexibility and creative decision-making makes it possible to have an efficient, cost effective and robust layer of security systems and should be encouraged regardless of whether the screeners are federal or contract employees.

This does not mean that corners should be cut but simply that airport's and FSD's can be great sources for research and innovation. This is why we believe SFO's "opt-out" program has been a success.

Airport Screener Privatization Program (PP5)
Testimony Edit

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first hand and welcome any other members and staff to do the same. Your support has allowed us to deploy one of the most comprehensive and robust screening programs of any airport in the world.

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Our present relationship with the TSA and, in particular, the local Federal Security Director's (FSD) staff has resulted in operations that have not only provided state of the art security, but has also delivered excellent customer service while substantially reducing the number of screeners.

Prior to the federalization of the nation's airport screeners under the TSA, San Francisco asked to be a participant in PP5. This request was made

because we had serious concerns about a new federal agency's ability to support the difficult and challenging process of recruiting, hiring and managing virtually the largest and most important workforce at our airport. Significant staff shortfalls over a long period of time with other federal agencies at SFO have been commonplace in the past.

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television (CCTV) is able to simultaneously monitor the operation of SFO's 39 checkpoint lanes and the queuing of passengers at checkpoints from a central location. The SCC has substantially increased the screening contractor's ability to adjust staff levels to support passenger volume changes at the checkpoints. The SCC has also reduced the potential for a passenger breaching the checkpoint. This system was installed by the Airport and paid for by the contractor.

- The FSD's management staff has very effectively coordinated with the contractor to ensure the lowest level of staff attrition and the highest level of security and customer service performance by instituting a weekly detailed performance review with the contractor. Overall, the PP5 process has allowed SFO's FSD to spend his time on security issues, not managing the human resources function of over 1200 screeners.
- The Airport management has enhanced the screening system by adding sufficient checkpoint capacity to ensure adequate passenger processing capability and installed EDS in most of our facilities.

All that being said, SFO supports Airport Screener Privatization only under the following circumstances:

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3. The full potential of privatization can only be realized if the certain constraints presently placed on the contractor are removed. National assessment, recruiting and training programs must be more flexible. As far as I can determine there is nothing inherent in these functions that would necessitate TSA headquarters day-to-day involvement once standards and evaluation practices were put in place. Presently, in my opinion, there are staffing shortfalls nationwide because TSA Human Resource processes are cumbersome, expensive and fail to respond to the dynamics of Airport operations.

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